DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: MARKED FOR INDEXING; X NO INDEXING REQUIRED; ONLY QUALIFIED DESK CAN JUDGE INDEXING; MICROFILM

TO: Chief, Western Hemisphere Division

INFO.: Attention: Chief, WH/1
Chief, WH/MHSPAWN

FROM: Chief of Station, Mexico City

SUBJECT: OPERATIONAL/LIANCHOR
Progress Report for December 1967 - May 1968

ACTION REQUIRED - REFERENCES

Action Required: None; FYI

References : A. HMMA-33670, 13 December 1968
B. Mexico City-5688, 25 May 1968

SUMMARY

1. During the reporting period the LIANCHOR leftist writer press service produced 35 individual articles and serialized political feature articles which were distributed to 20 newspapers throughout Latin America and are known to have been published regularly by at least 12 newspapers. Despite this acceptable production rate, the project has not achieved the objectives set for it by the Mexico Station and in the Project Outline.

2. Prior to submission of a project renewal request in late June, 1968, the Mexico Station will attempt to convert the LIANCHOR operation into a more effective and politically more leftist operation. Four of six LIANCHOR press service writers will be dropped and P/A (LINLUCK) will be replaced, hopefully by Identity-1, a respected independent leftist Mexican editorialist for the prestige center-left daily "EXCELSIOR". If by the end of June, 1968, the operational

Continued....

Attachments:
A. Identities (u.s.c.)
B. Translation & Articles (u.s.c.)
C. Handbill, Brochure, Open Letter (u.s.c.)

Distribution:
2 - C/WHD wo/atts
1 - C/WH/1 w/atts A, B and C (u.s.c.)
1 - C/WH/MHSPAWN w/atts A, B and C (u.s.c.)

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CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-34792	3 June 1968
	CLASSIFICATION: SECRET	HQS FILE NUMBER: 50-126-38/3

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mechanism of LIANCHOR (a cooperative and self-supporting press service not subsidized by WOFIRM) does not seem operationally viable, the LIANCHOR project renewal request will be submitted as an administrative and financial roof project for the individual handling and exploitation of singleton leftist writer assets.

INTELLIGENCE PRODUCTION

3. One information report was disseminated in May, 1968, based on information acquired by LINLUCK.

OPERATIONAL DEVELOPMENTS

4. Formal Organization of LIANCHOR Press Service:

a. The Reference "A" project proposal reports all significant incidents in the development of the LIANCHOR press service by LINLUCK and the Mexico Station through the first week of December, 1967, when LINLUCK set about bringing together the candidates for membership in the cooperative press service. As Headquarters will recall the project involved paying a salary of U.S. $700 per month to LINLUCK in return for which he was to persuade a number of leftist and center-left writers to join together as contributors to the LIANCHOR (Identity-2) press service. The contributing writers or members of the press service were to agree to waive fees for a trial period during which the press service was to develop paying clients among Latin American newspapers and periodicals.

b. LINLUCK held three meetings of candidate members of the press service during December in the home of Identity-3. The meetings were unruly but everyone at the meetings agreed to contribute material to the press service and submit to editing and control of the material by LINLUCK. However, what with the 20 day Christmas festivities which paralyze all Mexicans from 15 December to 5 January of each year, none of the LIANCHOR members other than Identity-4 submitted a manuscript to LINLUCK until late January.

c. LINLUCK dusted off the best and most timeless of his fall 1967 articles and mailed them out with a prospectus to newspapers suggested by third country stations throughout Latin America. At the end of December LINLUCK became seriously ill and the project was dormant until mid-January. In the latter part of January LINLUCK held a sober business meeting of the LIANCHOR press group at his home and by the end of January the members began to submit manuscripts.

5. The Search for a Replacement for P/A LINLUCK:

a. LINLUCK was formally terminated in the summer of 1966. He spent much of his termination bonus on sending his family back to France (the wife is French) and setting the family up there in an apartment and placing his sons in school. Following the termination, LINLUCK was again placed on salary while WOFIRM subsized the publication of a book which he had written in support of [illegible]. While the book sold well in Mexico and

in South America accepted the book but would not send (LINLUCK) his share of the sales, which was to be used to repay WOFIRM the cost of publishing the book. In the late fall of 1967 (LINLUCK) spent six weeks in Guatemala where he reached agreements with the Guatemalan Defense Minister, Rafael ARRIAGA Bosque, whereby the Defense Ministry was to pay (LINLUCK) U.S. $4,000 for the right to publish 10,000 copies of his first book. The U.S. $4,000 was to be paid by (LINLUCK) to WOFIRM as partial reimbursement of the costs of publishing the JMROD book. During the visit to Guatemala, (LINLUCK) was told by ARRIAGA and other Guatemalan government officials that he could expect a consular appointment by the summer of 1968.

b. Headquarters and the Mexico Station were agreed that as soon as he could organize LIANCHOR and find a suitable replacement, (LINLUCK) should be terminated and leave Mexico. Following the receipt of the LIANCHOR project approval in early 1968, the LIANCHOR case officer told (LINLUCK) that he was expected to find a replacement meeting WOFIRM approval and be ready to turn the operation over to his replacement by the end of March, 1968. (LINLUCK) proposed Identity-4, who had shown the most interest in the LIANCHOR press service and had been the first to submit articles. By accident the case officer was forced to listen to an hour's conversation between Identity-4 and (LINLUCK) after Identity-4 came to (LINLUCK's) home, interrupted a meeting between the case officer and (LINLUCK) and the case officer sat trapped in a separate room unbeknownst to Identity-4. From the conversation the case officer observed that Identity-4 was actually a political rightist, believed (LINLUCK) to be an LNHARP agent, had grandiose plans for using LNHARP funds to mushroom LIANCHOR into a continent-wide anti-Communist movement and was married to a neurotic woman who had hired a private detective agency to check on her husband's activities. (LINLUCK) was instructed to quietly ease Identity-4 out of LIANCHOR, to cease holding group meetings of LIANCHOR writers and to try to prevent further contact between Identity-4 and other members of LIANCHOR.

c. Identity-5 was selected as the next candidate to replace (LINLUCK) as P/A. Identity-5 was technically, linguistically, intellectually and professionally well qualified to head LIANCHOR. During the period of development and assessment of Identity-4 by (LINLUCK), Identity-5 wrote an excellent article on Soviet intellectual piracy. However, Identity-5 proved difficult to contact and control and turned out to be leading a personal life which would have detracted seriously from his ability to administer LIANCHOR. (LINLUCK) was told to keep in touch with Identity-5, but to look for still another candidate.

d. In early April ARRIAGA Bosque was exiled to Miami. With the Station's concurrence (LINLUCK) went to Guatemala during Easter to confer with Guatemalan President, Julio MENDEZ Montenegro, and the new Defense Minister concerning his own future. The President said he had not forgotten (LINLUCK) but would not be able to give him a consular post until the outset of 1969. The President also said he would not be opposed to (LINLUCK's) returning to Guatemala and entering politics.

e. Upon LINLUCK's return to Mexico he asked whether there was any possibility that he could be kept on after 30 June 1968 for an indeterminate period as LIANCHOR P/A until some outside job showed up. The case officer said he would discuss the matter with Headquarters, but felt that in the interests of LINLUCK's family and his own career it was high time that LINLUCK strike out on his own. Replacements were again reviewed and it was decided that the best candidate would be Identity-1, who had turned down membership in LIANCHOR because he wanted immediate fees for anything he wrote. Identity-6 of the LIANCHOR group, a friend of Identity-1, was queried as to Identity-1's personal life and, as far as can be discovered, Identity-1 lives a quiet life with his wife and family and is highly respected in Mexican intellectual circles both as an author/editorialist and as an independent leftist. Reference "B" and "PLANS" below report the Station's plans for possible recruitment and subsequent utilization of Identity-1 as P/A of LIANCHOR.

6. Production of Articles and Features by LIANCHOR: Separate cover attachment "B" contains a translation of a LINLUCK report written 1 May 1968 on articles and feature articles produced and distributed during the period 15 December 1968 to 30 April 1968. Case officer comments are included along with information about articles prepared and distributed in May.

7. LINLUCK Involvement in Covert Action Operations Targetted Against Soviet Poet Yevgenyi YEVTUSHENKO (March-April 1968):

a. In March LINLUCK drafted an open letter to Soviet poet Yevgenyi YEVTUSHENKO asking the Russian to use his influence to persuade the Soviet government to end the persecution of Soviet intellectuals, artists, writers and poets. LINLUCK managed to obtain the signatures of students, professors, actors, dancers, writers and intellectuals for his open letter and then persuaded the publisher of his books to print thousands of copies, which were distributed by other assets of the Mexico Station. A copy of the open letter was published in "EXCELSIOR" on the day of YEVTUSHENKO's arrival in Mexico for what was originally billed as a personal trip. Because of the open letter and critical press coverage of YEVTUSHENKO's rude behavior towards the press on arriving at Mexico City airport, the Russian Embassy called a special press conference the evening of the day of the poet's arrival. At the press conference YEVTUSHENKO spoke with outrage of the open letter, carefully dodging a number of questions asked by the letter, and chided the signers of the letter for claiming there was absolute literary freedom in Mexico, asking how there can be freedom anywhere in the world as long as there is no freedom in Vietnam. YEVTUSHENKO's remarks about the open letter left no doubt that he had come to Mexico as a Soviet propagandist and not as a rebel poet.

b. LINLUCK also produced a handbill quoting the telegram by Soviet intellectuals to the "Consultative Conference of Communist Parties" at Budapest, asking for an end to Soviet persecution of intellectuals in the USSR. The handbill featured two pen and ink drawings of imprisoned Soviet poets Sinyavsky and Daniel. He also arranged for the printing in Spanish of an authoritative study of incidents surrounding the Galanskov-Dobrovolsky trial in brochure form. Thousands of copies of the handbill and brochure were also distributed by Station assets during

and the open letter are submitted as Separate Cover Attachment "C" to this dispatch. Costs of the printing and distribution were charged to LILISP-X.

c. Via Identity-4 (LINLUCK) passed guidance material to Mexico's top female poet, Margarita MICHELENA, concerning YEVTUSHENKO. MICHELENA published a series of professional criticisms of YEVTUSHENKO as a poor poet and opportunist in the Mexican press. In April, immediately following YEVTUSHENKO's departure, a condensation of the MICHELENA critiques of YEVTUSHENKO were published in the leftist political illustrated magazine "IMPACTO" by LILISP-E.

d. Identities 3 and 6 of the LIANCHOR group also published articles against YEVTUSHENKO in the rightist daily "EL SOL", but the Station felt the articles were too vitriolic and unobjective to be a credit to LIANCHOR. In fact, because of these articles the Station plans to remove both Identities 3 and 7 from LIANCHOR; for it is obvious that both persons have long since lost all traces of their former leftism and are extreme rightists.

EFFECTIVENESS

8. Views on LIANCHOR Effectiveness by Owner/Director of Guatemala Daily "EL IMPARCIAL":

a. During (LINLUCK's) Easter visit to Guatemala City he was told by the owner of "EL IMPARCIAL" that the newspaper was only interested in publishing (LINLUCK's) articles. The newspaper owner stated that (LINLUCK) was a well-known personality in Guatemala and also wrote interestingly. The owner also said that he had published one series by Identity-4 because Identity-4 was a Guatemalan who at one time had been important. However, the owner pointed out that the other LIANCHOR writers were unknowns and did not write well. He singled out Identity-3 as being a "menace to journalism" because much of what she wrote amounted to libel or slander.

b. The "EL IMPARCIAL" owner said that he received the newspapers "EL DIA" of Honduras, "LA PRENSA GRAFICA" of El Salvador, "LA PRENSA" of Nicaragua, "LA REPUBLICA" of Costa Rica, "LA ESTRELLA" of Panama and "ULTIMAS NOTICIAS" of Caracas and had noted that these newspapers all published (LINLUCK's) articles but had not, to his knowledge, published articles by any of the other LIANCHOR writers.

c. When (LINLUCK) explained the cooperative nature of LIANCHOR, the "EL IMPARCIAL" man told (LINLUCK) that he could never hope to collect fees for his news service until the service became both famous and sought after. The "EL IMPARCIAL" owner advised (LINLUCK) to find writers better known in Latin America. He suggested that if (LINLUCK) could not afford to pay his writers fees, he should persuade first class writers to contribute to LIANCHOR purely for the prestige of having their material published around Latin America.

9. Effectiveness of LIANCHOR Writer Group and (LINLUCK) as a Covert Action Production Unit:

a. (LINLUCK) learned quickly that it was best not to allow meetings of members of the LIANCHOR cooperative

press group. Of nine persons who belonged to the group as of 15 January, three subsequently dropped out because of differences of opinion which developed at group meetings. In addition, LINLUCK learned that persons he had selected partly because of their leftist records (Identities 3, 4, 7 and 8) had long since ceased being leftists and were prone to submit manuscripts with texts politically harmful to the image of LIANCHOR. Confused political thinking and poor writing resulted in rejection of over 20 manuscripts during February-April by LINLUCK and the case officer. Rejection of manuscripts in turn angered and insulted some of the writers.

b. The personalities and character of some of the writers have presented problems to LINLUCK in directing and developing the LIANCHOR group into a productive unit. Identities 3, 5, 6, 7 and 8 had to be goaded continually by LINLUCK to turn in manuscripts on assigned themes. Both Identity-3 and Identity-7 turned out to be emotional extremists, suffering at times from deep melancholy and at other times from inexplainable rages which were reflected in their writings. As of this writing the Station feels that the only reliable members of the group are Identities 6 and 9, who should be kept as members of the group as long as LIANCHOR is run as a group cooperative press service. The unreliable but brilliant and versatile poet/writer/lexicographer Identity-5 should be continued as a contact of LIANCHOR for occasional emergency use provided LINLUCK's replacement can obtain any cooperation from Identity-5. In summary the LIANCHOR group composed of Identities 3, 4, 5, 7 and 8 has proved ineffective and not too productive and the ineffective members should be replaced.

10. <u>Effectiveness of P/A LINLUCK:</u>

a. The list of articles and features by LINLUCK under Separate Cover Attachment "B" is by no means the measure of the agent's writing and production capability. After the agent dusted off and mailed out several of his old article series in December 1968 the case officer instructed LINLUCK to reduce his production in ratio to the manuscripts of other LIANCHOR writers which were mailed out. The case officer was concerned that LIANCHOR would appear to potential client newspapers to be primarily a vehicle for LINLUCK's lengthy political essays in contrast to the statement in the LIANCHOR prospectus that LIANCHOR was a press service combining articles on cultural, educational, economic and social as well as political topics by many writers. During the agent's two final months of service he has been given authorization to write as much as he can on the Vietnam issue and other topics for the purpose of building up his name in Guatemala before he returns there to enter politics.

b. While production of articles was not LINLUCK's weak point, his selection and handling of the LIANCHOR press service writers appears to have been weak. He has been too long on the fringes of the foreign exile group in Mexico and his contacts among leftists in Mexico are no longer significant. In addition, the agent appears to have gone the way of many former Latin American Communists in that his theoretical solution to some of the political, economic and social problems of Latin America can no longer be termed leftist.

c. As a penetration of a Communist Party LINLUCK was a singleton. Although as a former Communist leader he has had experience in handling people, he has not had experience in handling sub-agents for WOFIRM. There was evidence during the reporting period that LINLUCK was having real trouble managing his co-workers in LIANCHOR. However, handicapped by the fact that he was not paying his co-workers fees or salaries, LINLUCK probably did as well as he could in controlling his co-workers. The real fault lay in his poor selection of co-workers.

11. Effectiveness of LIANCHOR Articles and Features: In the Station's opinion those articles which LINLUCK wrote were forceful and effective, but too long. The articles written by LINLUCK's co-workers apparently were ineffective to the point that they were not considered worth publishing. The Capriles newspaper chain of Venezuela apparently felt that LINLUCK's articles were well worth running, despite the fact that they had to be published in installments. The leading newspapers in each of the Central American republics appeared to believe that LINLUCK's articles merited automatic publication. It is assumed that LINLUCK's articles were published regularly in Bolivia due to La Paz Station assistance. However, because no newspaper felt like paying fees to LIANCHOR or answering LINLUCK's correspondence, it has not been possible to ascertain whether LIANCHOR articles have been published with any regularity in Brazil, Argentina, Chile, Colombia or Ecuador. It is too much to ask third country stations to scan the press daily for articles by seven different people. The Mexico Station has appreciated the assistance received from the Caracas, San Jose and Guatemala City Stations which have been the principal source of the clippings of LINLUCK's LIANCHOR articles submitted as Separate Cover Attachment "B" to this dispatch.

SECURITY

12. There have been no incidents of security nature hazardous to the LIANCHOR project during the reporting period.

FINANCE AND SUPPORT

13. Finance: During 1 October - 30 May the LIANCHOR project expenses have consisted of U.S. $5,600 in salary payments to LINLUCK at U.S. $700 per month and U.S. $119 in cost of mailing out LIANCHOR articles.

14. Support: Reproduction of the LIANCHOR articles for mass distribution to Latin American newspapers was done by the Station using a Xerox machine.

PLANS

15. Replacement of LINLUCK:

a. Provided Headquarters grants POA and Identity-1 accepts recruitment by a Station case officer, LINLUCK will be directed to approach Identity-1 some two weeks after the recruitment. LINLUCK will tell Identity-1 that he has come to Identity-1 on the advice of Identity-6, LIANCHOR member and friend of Identity-1. LINLUCK will explain that he is returning to Guatemala to seek a political career and must give up the direction of LIANCHOR

16-2

because LIANCHOR cannot properly be run from (Guatemala). 01 (LINLUCK) will describe to Identity-1 the problems which he has had in developing LIANCHOR and, in asking Identity-1 to take over control of LIANCHOR, will suggest that Identity-1 use the LIANCHOR name and established publication outlets to broaden his prestige in Latin America without any thought of trying to earn fees. 01 (LINLUCK) will also suggest that Identity-1 retain Identities 6 and 9 to help fill out the service, but that he gradually try to draw in personal writer friends of definite leftist fame and persuade them to contribute to LIANCHOR purely for the reward of increased prestige. Finally, 01 (LINLUCK) will offer to continue to contribute material from time to time from Guatemala which Identity-1, through his good standing in the Mexican press, perhaps can publish in Mexico.

b. If Identity-1 rejects recruitment, the next candidate for LIANCHOR chief is Identity-10, who has already told (LINLUCK) that he is prepared to take over LIANCHOR on a pro 01 ionary basis to see whether it will enhance his reputation. The Station feels that Identity-10 would be easier to recruit than Identity-1. However, Identity-10 is not too well known in Mexico and is totally unknown abroad. One of Identity-10's virtues is the fact that he never formally quit the Communist Party and has done nothing to irritate the Party. As economic and general reporter for "EXCELSIOR" he offers placement potential. If Identity-1 does accept recruitment, the Station still intends to try to recruit Identity-10 as a singleton under Project LIANCHOR, possibly steering Identity-10 to Identity-1 and the LIANCHOR press service after due consideration. The Station is also interested in the possibility of recruiting Identity-10 in order to send him to the World Youth Festival at Sofia, since it is believed by 01 (LINLUCK) that Identity-1 still has access to some worthwhile contacts in Central American young Communist circles.

16. Testing for Indications of Effectiveness to Determine Future Direction of LIANCHOR Project:

a. It is estimated that it will not cost over U.S. $200 to hire clipping services in Buenos Aires, Montevideo, Santiago and Bogota for a three month trial period to test whether newspapers which receive LIANCHOR material in those cities are publishing the LIANCHOR material. The clipping services will be asked to watch for articles with the LIANCHOR by-line, the by-lines of LIANCHOR writers and the headlines or titles which are assigned by LIANCHOR to the articles mailed to the newspapers.

b. If the clipping service tests show that newspapers or periodicals in two of the above cited countries are publishing LIANCHOR material, Station will continue to pursue the development of a small and responsive leftist writer group as one phase of the LIANCHOR operation. The rationale behind this decision is that there is little justification in operating a press service, even a cheap one, with a readership limited to Mexico, Central America, Venezuela and Bolivia. However, if the press service can acquire, or has acquired, readership in any two of the countries in 16-a above then it is felt that the total area coverage is significant and worth maintaining.

17. Conversion of LIANCHOR to Temporary Roof Project for Singleton Leftist Writer Assets: If as a result of clipping

service tests the decision is reached not to continue development of a leftist writer group press service, LIANCHOR will be converted to a roof project for the administration and funding of singleton writer agents. Identity-1, if recruited, will be told to use the LIANCHOR stationery and list of publishing newspapers to develop his own prestige and readership abroad, but he will not be asked to find additional writers for the press service. At the end of FY 1969 the LIANCHOR project will be terminated as such and its funds and such agents as have been developed under LIANCHOR will be documented under Project LILISP-E for FY 1970.

for/Willard C. CURTIS

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SEPARATE COVER ATTACHMENT

to HMMA-34792

06,08

IDENTITIES:

1 - Ricardo *GARIBAY Ortega, independent Mexican socialist, political editorialist in "EXCELSIOR" and prize-winning author of political books.

2 - "PRENSA SELECTA INTERNACIONAL" 29

3 - Eunice ODIO Infante, a naturalized Guatemalan of Costa Rican origin who resides in Mexico City and writes for "EL SOL" and "EL DIA". 06,08

4 - Alfonso *MARTINEZ Estevez, former personal secretary to deposed Guatemalan Communist president Jacobo ARBENZ.

5 - Ernesto de la *PENA y Munoz, lexicographer and linguist employed by Encyclopedia Britannica's Spanish language edition. He has a reputation as a fair poet in Mexico and writes for the leftist "EL DIA" and the center-left "EXCELSIOR". 06,08

6 - Manuel CALVILLO, Mexican author and editorialist in the Sunday literary sections of Mexican newspapers.

7 - Alicia REYES, writer for the newspapers "EL SOL" and "EL UNIVERSAL". Once a member of the Mexican CP and resident of Moscow. 06,08

8 - Francisco *ZENDEJAS, book critic for "EXCELSIOR", Mexico City TV channel #4 and Radio Station XEW. He was once personal secretary to Leon TROTSKY. Chronic alcoholic.

9 - Rodrigo GARCIA Trevino, Mexican political author, historian and literary critic. 06,08

10 - Rene *ARTEAGA, former head of the Young Communists of El Salvador. Exiled to Guatemala and later to Mexico. Economic reporter for "EXCELSIOR" and formerly for "EL DIA". No longer active in CP. 06,08

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